

ORIGINAL

OPEN MEETING AGENDA ITEM



0000145898

BEFORE THE ARIZONA CORPORATION COMMISSION

BOB STUMP

Chairman

GARY PIERCE

Commissioner

BRENDA BURNS

Commissioner

BOB BURNS

Commissioner

SUSAN BITTER SMITH

Commissioner

2013 JUN 25 P 3:49

AZ CORP COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

JUN 25 2013

DOCKETED BY

IN THE MATER OF THE APPLICATION OF  
QWEST CORPORATION DBA  
CENTURYLINK QC FOR APPROVAL TO  
MAKE CHANGES TO THE SERVICE  
QUALITY PLAN TARIFF

DOCKET NO. T-01051B-13-0199

COMMENTS OF QWEST CORPORATION  
D/B/A CENTURYLINK QC TO STAFF'S  
MEMORANDUM AND PROPOSED ORDER

Qwest Corporation d/b/a CenturyLink QC ("CenturyLink") opposes the complete suspension of its tariff revisions for the reasons stated below. CenturyLink proposes, however, that in the interest of fairness and evenhanded regulation of competitive companies, certain of the revisions should become effective in thirty (30) days.

CenturyLink does not disagree with the facts stated by the Staff in its proposed order or the memorandum. CenturyLink agrees that in view of the fact that other telecom companies are expected to abide by the standards in the CenturyLink tariff, how service standards are defined is worthy of further reflection. The Staff is right to consider the scope and role of state regulation with regard to service quality in the competitive environment of the 21<sup>st</sup> century telecom industry.

However, certain of the tariff revisions correct an unjust and inequitable specific situation. Although all of the companies known as "CLECs" are expected to follow the standards in the CenturyLink tariff, CenturyLink is the only company required to report performance under those standards. Further, CenturyLink is the only company which must pay monetary penalties to the State for non performance.

1       There are dozens of other local telephone service providers in the State, including both CLECs  
2 and ILECs. To the Company's knowledge, none of these companies are subject to the reporting and  
3 penalties imposed on CenturyLink – including the rural independent companies whose customers  
4 arguably have fewer choices of service providers than do CenturyLink's customers. Subjecting only one  
5 company to burdensome reporting obligations and substantial adverse monetary consequences, has  
6 become unjust, and is especially intolerable now that CenturyLink's retail services are classified as  
7 competitive. These provisions are the relic of a bygone era. Uniquely aggressive regulation and  
8 consequences that may have been appropriate in the monopoly days are now unreasonably  
9 discriminatory and punitive to CenturyLink, and are no longer in the public interest.

10       Accordingly, CenturyLink asks that the Commission approve the tariff revisions which eliminate  
11 the reporting and penalties associated with the service standards. Attachment A lists the tariff sections  
12 in that category. CenturyLink respectfully asks that the Commission approve those revisions, giving  
13 CenturyLink immediate relief, and putting it on equal footing with its competitors.

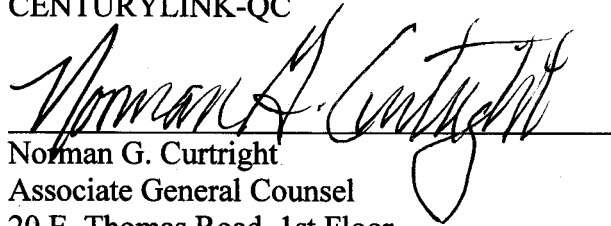
14       This approach will permit CenturyLink relief from the most objectionable portions of the current  
15 tariff, and allow the Staff the time it needs to consider the rest of the changes proposed, not only for  
16 CenturyLink, but for the competitive telecom industry as a whole. For the balance of the tariff revisions  
17 not listed on Attachment A, CenturyLink does not oppose the suspension proposed by the Staff.

18       The Commission will be interested to know that CenturyLink's request is similar to a proceeding  
19 pending before the Utah Public Service Commission, seeking a waiver of the Utah End-User Service  
20 Quality Rules which are only applicable to CenturyLink. *Utah Public Service Corporation Docket No.*  
21 *13-049-13*. In that Docket, the Utah Department of Commerce Division of Public Utilities  
22 recommended that a waiver of the rules "be granted for CenturyLink because there is sufficient  
23 competition, customers will not see an impact in their ability to have issues resolved, and it eliminates a  
24  
25

1 regulatory requirement that exists on only one company, CenturyLink. No party to the Utah proceeding  
2 has expressed a contrary view. A copy of the Division of Public Utilities recommendation is attached,  
3 marked as Attachment B.

4 RESPECTFULLY SUBMITTED, this 25<sup>th</sup> day of June, 2013.

5 QWEST CORPORATION d/b/a  
6 CENTURYLINK-QC

7   
8 Norman G. Curtright

9 Associate General Counsel  
10 20 E. Thomas Road, 1st Floor  
11 Phoenix, Arizona 85012  
12 Telephone: (602) 630-2187

13 ORIGINAL and thirteen (13) copies filed  
14 this 25<sup>th</sup> day of June, 2013, with:

15 Docket Control  
16 ARIZONA CORPORATION COMMISSION  
17 1200 West Washington Street  
18 Phoenix, Arizona 85007

19 Copy of the foregoing hand delivered  
20 this 25<sup>th</sup> day of June, 2013, to:

21 Steve M. Olea, Director  
22 Utilities Division  
23 ARIZONA CORPORATION COMMISSION  
24 1200 West Washington Street  
25 Phoenix, Arizona 85007

Janice Alward, Chief Counsel  
Legal Division  
ARIZONA CORPORATION COMMISSION  
1200 West Washington Street  
Phoenix, Arizona 85007

Lyn Farmer  
Hearing Division  
ARIZONA CORPORATION COMMISSION  
1200 West Washington Street  
Phoenix, Arizona 85007

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## **ATTACHMENT A**

### **Penalties To Be Eliminated**

- 2.6.1 - Penalties and Offsets**
  - 2.6.1. A through 2.6.1 K**

### **Reporting Requirements To Be Eliminated**

- 2.2.3.A – Held Orders**
- 2.2.4.A - Complaints**
- 2.2.4.E – Trouble Reports**
- 2.6.1.D – Quarterly Reports**



GARY HEBERT  
Governor  
GREG BELL  
Lieutenant Governor

State of Utah  
Department of Commerce  
Division of Public Utilities

FRANCINE GIANI  
Executive Director

THOMAS BRADY  
Deputy Director

CHRIS PARKER  
Director, Division of Public Utilities

== MEMORANDUM ==

**To:** Public Service Commission

**From:** Division of Public Utilities  
Chris Parker, Director  
Bill Duncan, Telecommunications / Water Manager  
Casey J. Coleman, Utility Technical Consultant

**Date:** June 24, 2013

**Re:** In the Matter of the Petition of Qwest Corporation dba CenturyLink QC for Approval to Deviate from and/or Waive the End-User Service Quality Rules only Applicable to CenturyLink per Docket No. 13-049-13.

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**RECOMMENDATION:**

The Division recommends the Commission waive the end-user service quality rules that are only applicable to CenturyLink, specifically R746-340-8 and R746-340-9.

**BACKGROUND:**

On May 15, 2013 CenturyLink filed a petition with the Commission requesting approval to deviate from End-User Service Quality rules. In the Petition CenturyLink states: "given the high level of competition in the Utah telecommunications market today, there is no justification for such rules that selectively apply to only CenturyLink."

According to the Public Service Commission Rule R746-340-8 a company subject to the End-User Service Quality Rules can be granted a waiver ordered by the Commission if sufficient competition exists in a defined geographic area.

The Division has reviewed the information provided by CenturyLink as well as the number of service quality complaints recorded by the Division. After reviewing this information, the Division believes there is sufficient competition within the majority of CenturyLink's service areas to justify the Commission waiving R746-340-8 and R746-340-9.

One additional item to consider, with the granting of the waiver, is that customers of CenturyLink will not have any reduced access to the Division of Public Utilities or the formal complaint process of the Commission if they should experience service quality issues. The Commission rules R746-340-8 and R746-340-9 deal with the measuring and reporting of certain service quality measures. Ultimately, if consumers have issues with CenturyLink, those customers can file a complaint with the Division and have those issues resolved on an individual basis.

The Division recommends the waiver of the End-User Service Quality rules be granted for CenturyLink because there is sufficient competition, customers will not see an impact in their ability to have issues resolved, and it eliminates a regulatory requirement that exists on only one company, CenturyLink.

cc: Justin Jetter, Assistant Attorney General  
Torry R. Somers, CenturyLink  
James Farr, CenturyLink